



UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trade Office
Address: COMMISSIONER OF PATENTS AND TRADEMARKS
Washington, D.C. 20231

APPLICATION NUMBER	FILING DATE	FIRST NAMED APPLICANT	ATTY. DOCKET NO.
--------------------	-------------	-----------------------	------------------

08/798,115 02/12/97 ALLEMAN

J PARA-1479

EXAMINER

LM61/1230

JOHN P. SUTTON
BRYAN HINSHAW COHEN & BARNET
425 CALIFORNIA STREET SUITE 900
SAN FRANCISCO CA 94104

MAIL ROOM	PAPER NUMBER
-----------	--------------

2742

24

DATE MAILED:

12/30/97

This is a communication from the examiner in charge of your application.
COMMISSIONER OF PATENTS AND TRADEMARKS

OFFICE ACTION SUMMARY

☒ Responsive to communication(s) filed on 11/14/97, 12/1/97 and 12/22/97

☒ This action is FINAL.

☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 D.C. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire 3 month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

Disposition of Claims

☒ Claim(s) 21-31 is/are pending in the application.

Of the above, claim(s) _____ is/are withdrawn from consideration.

☐ Claim(s) _____ is/are allowed.

☒ Claim(s) 21-31 is/are rejected.

☐ Claim(s) _____ is/are objected to.

☐ Claim(s) _____ are subject to restriction or election requirement.

Application Papers

☐ See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

☐ The drawing(s) filed on _____ is/are objected to by the Examiner.

☐ The proposed drawing correction, filed on _____ is ☐ approved ☐ disapproved.

☐ The specification is objected to by the Examiner.

☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. § 119

☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

☐ All ☐ Some* ☐ None of the CERTIFIED copies of the priority documents have been

☐ received.

☐ received in Application No. (Series Code/Serial Number) _____

☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

*Certified copies not received: _____

☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e).

Attachment(s)

☒ Notice of Reference Cited, PTO-892

☐ Information Disclosure Statement(s), PTO-1449, Paper No(s). _____

☐ Interview Summary, PTO-413

☐ Notice of Draftsperson's Patent Drawing Review, PTO-948

☐ Notice of Informal Patent Application, PTO-152

--SEE OFFICE ACTION ON THE FOLLOWING PAGES--

Art Unit: 2742

DETAILED ACTION

Background

(1) Callback feature:

- The principal and advantages of the callback feature are very old and well known.

Not only is the "callback" feature taught by **Kahn** and has been provided by the prior art **IDT machine** for many years, but it also has been well known for many years. Page 12 of the International CallBack Book (sometimes referred to as "the book") states :

"My father owned a drug store and had to pay for each call he made. If he wanted to call home, he dialed the home telephone number, let it ring twice, and hang up. We would then return the call [i.e., call him back], and since residential service was flat rate, meaning that there was no additional charge for calls made, we saved the message rate for the call".

Another form of callback feature called "code calling" is described on pages 12 and 13 of the International CallBack Book wherein a subscriber from overseas dials a unique US number, let it ring a few times and hangs up, then the service provider in the US detects that the unique number has been called, looks up data about the subscriber, gets his overseas telephone number and initiates a call to him to offer a US dial tone so that the subscriber can make calls initiating at the US and pay US rates.

It is old, and notoriously well known that college students have been using the callback feature for many many years. As discussed in the New York Times article titled "Hot-Wiring Overseas Telephone Calls",

"[The callback feature] would be familiar to a college student phoning long distance to his parents: the student rings once, hangs up, and then has his parents call back on their nickel."

Art Unit: 2742

(2) Direct Inward Dialing DID.

- The DID feature and its advantages are old and well known.

This is an old feature which enables a calling party to dial inside a company (using a PBX or CENTREX) directly without going through an operator. The telephone company Central Office will pass the last few digits (usually 4 digits) to the company's PBX and these DID digits will be used by the PBX for intelligent processing of the call. Applicant admits that the DID is old. As a matter of fact, class 379, subclass 233 at the PTO has been dedicated to applications of the "Direct Inward Dialing" feature since, at least, 1985. The advantages of using the DID are notoriously well known in the art.

(3) Identifying the calling party.

- PIN, ANI and DID represent known **alternative** techniques to identify the calling party.

The three well-known alternative techniques used to identify the calling party are :

- (A) using a personal identification number PIN;
- (B) using automatic number identification ANI (analogous to the caller ID); and
- (C) using the direct inward dialing DID.

The above techniques for identifying the calling party are well known, and explicitly taught by **Billinger et al** and **Curtin**. **Curtin** teaches that some prior art systems identify the calling party by using an authorization code (PIN), other prior art systems identify the calling party by using the ANI (analogous to caller ID) and **Curtin** suggests the use of the DID so that the system can identify the calling party because each calling party is assigned a specific DID number to call.

Art Unit: 2742

Thus, the **prior art** clearly and positively demonstrates that the calling party can be identified by using one of the alternative available old techniques: PIN, ANI or DID. In addition to the **prior art**, Applicant's own specification, which discusses the above alternative techniques to identify the calling party, appears to be in agreement with the prior art. The specification states (page 14, line 25- page 15, line 12) that the calling party can be identified "through a variety of means" such as entering a personal identification number PIN, the use of automatic number identification ANI and the use of the direct inward dialing DID.

Claim Rejections - 35 USC § 112

1. Claim 21 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention.

In claim 21, line 7, "the direct inward dial line" lacks antecedent basis. Also, is it the "system" or the "service center" that comprises the "sensor", "first outbound circuit", "second outbound circuitry" and "bridging device"?

2. Claims 24, 25, 27, 28 and 30 are rejected under 35 U.S.C. 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

Art Unit: 2742

In claims 24, 27 and 28, how would the service center “know” that the subscriber has dialed a DID that is not his DID? What if the subscriber dials, by mistake, another valid DID other than his DID?

Claims 25 and 30 are rejected because they depend from rejected claims 24 and 27.

Claim Rejections - 35 USC 103

3. Claims 21 - 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over **Kahn et al** (US Patent 4,769,834) in view of **Curtin** (US Patent 4,672,660).

Regarding claim 21, **Kahn et al** discloses an automatic interconnection telephone system 30 (“service center”) for answering incoming calls and connecting the calling party/subscriber to an outgoing line for making an outgoing call(s). The subscriber calls the telephone system and provides a security code [personal identification number PIN] which will be compared with stored codes by security code circuit 200 to verify the identity of the subscriber. The reference teaches that the subscriber can call the system, provide the PIN, dial his number and then hang up. As a result, the telephone system will initiate a call-back to the subscriber after which a dial tone will be provided to him or her to enter the telephone number of a desired called party to establish an outgoing call(s) using the telephone system. See abstract, col. 2, line 48 - col. 3, line 6, “Call-back/Local” at col. 40 and “Call-Back/Long Distance” at col. 42. The system comprises telephone lines such as L1, L2, L3 and L4 which are used for dialing out. The system may call back the subscriber on a line (“first outbound circuit”) and the subscriber may call another party on another line (“second outbound circuit”). The two lines will be automatically bridged by using

Art Unit: 2742

a "bridge device" which comprises relay device 80, coupling circuit 50 and switches A1-A4 without the intervention of a human operator. The outgoing telephone lines can be used for making telephone calls which includes local, long distance and international calls.

The preamble of claim 21 recites that the system is "for providing economical use of differences in long distance tariff rates for international telephone service". On one hand, this limitation in the preamble represents the "intended use" of the system. Note that in the body of the claim the calls are not recited to be international calls which means the "system" may be used for local or long distance calls). It has been held that a recitation with respect to the manner in which a claimed apparatus is intended to be employed does not differentiate the claimed apparatus from a prior art apparatus satisfying the claimed structural limitations. *Ex parte Masham*, 2 USPQ2d 1647 (1987). On the other hand, the subscriber may call the **Kahn** system from a local pay phone and make outgoing long distance or international calls without paying the high pay phone rates, the subscriber in a different time zone (e.g., in California) may use the **Kahn** system (e.g. in New York) to make outgoing calls at a cheaper rate (evening rates in New York). Thus, Kahn does meet the limitation in the preamble which is to provide "economical use of difference in long distance tariff rates".

The difference between **Kahn** and the claimed invention is in the technique used for identifying the calling party/subscriber. **Kahn et al** (filed in March 1977) identifies the calling party by using the authorization code (PIN) which is manually provided by the calling party.

First, the use of the DID is notoriously well known in the art, shown by many cited references and also admitted by Applicant on page 9 of the amendment filed 9/8/97 to be well-

Art Unit: 2742

known. The DID provides for intelligent processing of the call. Second, **Curtin** explicitly teaches the use of the DID information which is provided automatically by the telephone company to the system to identify the calling party without answering the call (see abstract). The system 18 (Fig 2) in **Curtin**, which comprises switching matrix, microprocessor and memory, is used to identify the calling party by using the DID information. On col. 7, line 66 - col. 8, line 6, the reference teaches that microprocessor 26 ~~is~~ detects the last three digits (DID digits) of the number being used by the calling party to call the system. The microprocessor is thus read as the claimed "sensor" for receiving the direct inward dial signal. Fig. 1 in **Curtin** shows an example of 20 DID access lines connected to the system. Since the DID numbers are assigned to individuals, a call to specific DID means that a specific individual (e.g., Mr. John Smith) is the calling party. Under description of the prior art in col. 1, lines 16-44, **Curtin** states that the use a code manually provided by the calling party to identify the calling party in some prior art systems is disadvantageous and undesirable for different reasons. Instead, **Curtin** teaches the use of the Direct Inward Dialing DID feature to enable the system to "automatically", "easily" and "rapidly" identify the calling party without answering the call and without the need for the calling party to manually enter a code (see col. 1, lines 39-44, col. 2, lines 61-65). Using the DID feature as taught by **Curtin** in the **Kahn et al** system will eliminate the need for the calling party to manually dial an authorization code as clearly suggested by **Curtin**. Using the DID as suggested by **Curtin** to identify the calling party (instead of authorization code) means that the calling party in **Kahn** can be identified without answering the call (free call). Utilizing the DID also provides advantages such as speed, accuracy and convenience because having the calling party manually

Art Unit: 2742

enter his or her number may cause a delay and sometimes the calling party may make a mistake while entering the number. In general, providing a number automatically is preferred over providing the number manually. Further, the calling party can be identified without having the calling party pay for the call.

Thus, modifying the 1977 **Kahn et al** system (which uses a code manually entered by the calling party in order to identify the calling party) by replacing the manual entry of a code with the well known automatic DID as clearly and positively suggested by **Curtin** would have been obvious for the reasons discussed in detail by **Curtin** and also to provide convenience, speed and accuracy. In the combination, the calling party will not need to enter his security code and his telephone number.

The system in the combination identifies the calling party (e.g., call from John Smith requesting callback service) and the system would have to call him back. Obviously, the system would have to have his number stored and look it up (look-up the telephone number for John Smith) in order to call him back.

Claims 26 and 31 are rejected for the same reasons discussed above with respect to claim 21.

For claims 22, 23 and 29, in the combination of references, the system will verify the identity of the calling party by using the DID and without answering the call and then the system will callback the subscriber. Thus, obviously, the subscriber is expected to let the system ring for a short period of time and then hang up. If the system continues to receive ringing signals for a predetermined period of time (e.g., 10 rings), obviously the calling party is either not a subscriber

Art Unit: 2742

or a new subscriber that is not very familiar with the system. **Kahn** (filed in 1977) utilizes BEEP circuit 400 to provide different informative signals to the subscriber such as a signal to inform the subscriber that he has reached the system 30 and **Curtin** uses microprocessor 26 and speech synthesizer for generating vocal announcements. Thus, in the combination, it would have been obvious to provide the calling party with an appropriate informative message and advise him or her to terminate the connection attempt (e.g., "You have reached please ... ") because this calling party would unnecessarily tie up an incoming line.

For claims 24, 25, 27, 28 and 30 (as best understood) the claims read on dialing an unassigned DID number in **Curtin**. Obviously, the calling party should not unnecessarily tie up the telephone line and should be informed by a message such as "the number you called is not in service" or simply the call should be terminated. In addition, for claim 27, **Kahn** teaches that if the calling party does not enter a code within 15 seconds, the system will disconnect the calling party from the system (see col. 27, lines 26-39). This is analogous to calling an invalid DID. In general, systems are expected to keep the calling party/subscriber informed of the progress of the call by using the well known Voice Response Unit VRU to provide audio messages. Messages such as "the number you have entered is invalid", "please hang up", etc. have been used for many years and it would have been obvious and necessary to keep the calling party informed of the progress of the call attempt. No one expects silence from a system which processes different telephone calls and interconnects multiple parties.

Art Unit: 2742

4. Claims 21 - 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over **Kahn et al** (US Patent 4,769,834) in view of **Curtin** (US Patent 4,672,660) and Examiner's **Exhibit C**¹

As discussed in detail above, **Kahn** differs from the claims in that **Kahn** identifies the calling party by using the manual entry of the PIN. However, **Curtin** clearly and positively suggests the use of the Direct Inward Dialing DID feature to "automatically", "easily" and "rapidly" identify the calling party without answering the call and without the need for the calling party to manually enter a code (see col. 1, lines 39-44 and col. 2, lines 61-65). The use of the DID is notoriously well known in the art, shown by many cited references and also admitted by Applicant on page 9 of the amendment filed 9/8/97 to be well known. The DID provides for intelligent processing of the call. All the remarks in the rejection based on **Kahn** and **Curtin** are hereby incorporated by references.

Would the artisan have the skill level to know how to combine **Curtin** and **Kahn** so that the callback feature of **Kahn** can utilize the DID feature of **Curtin**. Examiner's position is that, in the combination, once the calling party is identified (e.g., Mr. John Smith requesting callback service), the system in the combination would have to look up the number for the calling party (e.g., Mr. John Smith telephone number) to call him back and provide the callback service. The

¹Examiner's Exhibit C:

- (a) The telephony Journal article titled "You can't beat the Price" (March 20, 1995).
- (b) The International Callback Book, © 1995.

Art Unit: 2742

references cited in Examiner's **Exhibit C** provide evidence that one of ordinary skill in the art would have had the needed skill to combine the two references, at the time the invention was made, in order to use the DID information for callback services. It has been found that material that is not technically prior art, such as the articles in Examiner's **Exhibit C**, can be relied upon as evidence of the skill level in the art as of about the date of the invention even if the articles were published at a later date. *Gould v. Quigg*, 3 USPQ 1302^{2d} (Fed. Cir. 1987) and *Ex parte Erlich* 22 USPQ2d 1463 (BPAI 1992).

5. Claims 21 - 31 are rejected under 35 U.S.C. § 103(a) as being unpatentable over the IDT international callback services (as described in one or more of the New York Times article titled "Hot-Wiring Overseas Telephone Calls", January 9, 1992, Business Week article titled "Rome to Bonn via New Jersey", April 13, 1992, Business Week article titled "How Overseas Callers Can Get Stateside Rates", December 2, 1991) in view of **Curtin** and/or **Riskin** (US Patent 4,757,267).

A subscriber can call the IDT machine in the U.S. from a foreign country, hang up before the machine answers and wait for the IDT machine to call him or her back. The IDT machine will call the subscriber back and provide him or her with a second line so he or she can make outgoing calls utilizing the IDT machine and thus pay at US rates.

- The article titled "Rome to Bonn via New Jersey" (April 13, 1992) states that a subscriber can call the IDT machine in the U.S. from a foreign country, hang up and wait for the

Art Unit: 2742

IDT machine to call him/her back so that the subscriber can make outgoing calls utilizing the IDT machine and thus pay at US rates.

- The article titled "How Overseas Caller Can get Stateside Rates" (Dec. 2, 1991) states that an overseas subscriber can call the IDT machine in the U.S. and hang up before it answers. Then the IDT machine calls back the subscriber and provides him/her with a second line to make outgoing calls.

For claim 21, the claimed components such as "first outbound circuit", "second outbound circuit" and "bridging device" are inherent in the IDT machine because the machine calls back the subscriber (inherently using a first outbound circuit) and the subscriber can then make outgoing calls (inherently using a second outbound circuit) and the calls are bridged.

Examiner believes that the above-described IDT machine uses the DID feature² (wherein one line may be used for dialing different DID numbers) while Applicant believes that the IDT machine used dedicated lines³ (wherein each line is used for one number). Since the above references are silent with regard to the use of DID or dedicated lines, this rejection is under 35 USC 103, rather than 35 USC 102.

²The evidence, of record, such as the International Callback Book (page 16) supports the Examiner's position.

³On page 1 of the 132 declaration filed by Mr. Alleman on 12/1/97, Mr. Alleman states that :
"From an early description of its service, it appears that IDT did not use the concept of direct inward dialing when it began its business On information and belief, IDT did not use the invention of the present application" [emphasis added].
Apparently, Applicant is speculating.

Art Unit: 2742

The IDT machine uses the dialed number (whether it is a DID number or a dedicated number) to look up the number of the calling party in order to call him or her back. The use of the DID feature is old, well-known, admitted by Applicant to be well known, and also shown by references such as **Curtin** and **Riskin**. Again, **Curtin** teaches the use of microprocessor 26 (read as the claimed "sensor for receiving the direct dial inward signal") which detects the last three digits (DID number) and compares the detected DID number with stored DID numbers in order to identify the calling party. **Curtin** also teaches (Fig. 1), by way of example, that system 10 can be accessed by using twenty DID lines (16) which are leased from the telephone company and which can be assigned a block of one thousand DID numbers. That is one thousand DID numbers can be dialed by economically leasing only twenty DID lines. Each particular one of the DID numbers will be given to a particular calling party and when the particular DID number is called, the calling party is identified by comparing the dialed DID with stored DID numbers in the system's memory. See Fig. 1, col. 6, lines 59-65 and col. 7, line 66-col. 8, line 6. It is notoriously well known in the art of telephonic communications that using the DID (wherein different DID numbers can be dialed using one DID line) will require less trunks/lines than having dedicated numbers (wherein each number requires a dedicated line). In the example shown by **Curtin**, one thousand DID numbers can be dialed by using leasing only twenty DID lines (16) from the telephone company. This notoriously well known fact is also explained by, for example, **Riskin** which states (col. 4, lines 52-66) that :

"A CENTRX system [e.g., used by the PTO] system allows for Direct Inward Dialing (DID) ... Each Extension number... is connected to the telephone company by an

Art Unit: 2742

individual local loop [dedicated line]. This is in contrast to a PBX ... wherein the customer company [e.g., department store] is connected to the telephone company central office by perhaps one fourth as many trunks as there are extensions in the company, thereby economizing the cost of the telephone service....The PBX also allows the DID [and it may allow for a receptionist to direct the calls].” [emphasis added]

Thus, EVEN If the IDT machine used a dedicated line for each number, it would have been obvious to one of ordinary skill in the art to utilize the well-known DID technology as suggested by **Curtin** and/or **Riskin** instead of using the dedicated lines in order to have less trunks, thereby “economizing the cost of the telephone service” because having less trunks will cost less, which is a notoriously well-known fact and also explained by **Riskin** and **Curtin**. The DID service has been provided by telephone companies for many many years.

Dependent claims are rejected for the same reasons discussed above.

6. Claims 21 - 31 are rejected under 35 U.S.C. § 103(a) as being unpatentable over the **IDT** international callback services (as described in one or more of the New York Times article titled “Hot-Wiring Overseas Telephone Calls”, January 9, 1992, Business Week article titled “Rome to Bonn via New Jersey”, April 13, 1992, Business Week article titled “How Overseas Callers Can Get Stateside Rates”, December 2, 1991) in view of **Curtin** and/or **Riskin** (US Patent 4,757,267) and further in view Examiner's Exhibit C.

If Applicant argues that one of ordinary skill in the art would not know how to use the DID feature in the IDT machine (as discussed above), then Examiner's Exhibit C is used as evidence that one would know how to do so.

Art Unit: 2742

7. **The declarations under 37 CFR 1.131 are being withdrawn by Applicant.**

Applicant states that he is withdrawing the 131 declaration while, at the same time, Applicant continues to state explicitly and implicitly in the remarks and the 132 declarations filed by Mr. Casner and Mr. Alleman that Applicant invented the claimed invention before the IDT machine. This is improper and Applicant cannot have it both ways. Therefore, all Examiner's comments, remarks and evidence in the previous Office action which discuss the insufficient 131 declarations are hereby incorporated by reference.

8. **Examiner's Exhibit C:**

- The international Callback book © 1995, states that international call back services initially used the DID numbers and operators and then automated the services to continue to use the DID but without the need for operators. The book (page 16) states that:

"Subscribers wanting service could call a Direct Inward Dialing Number, let it ring two or three times and hang up. This unanswered call was not billed to the subscriber. This is a crucial issue Operators sitting at a console could see the ringing, and would look up the DID number. (Actually the equipment did this automatically). They would then place a return call [call back] to the subscriber and handle their request for service

*A few years later in 1991 and 1992, companies such as Viatel and International Discount Telephone [IDT] and Telatlantic automated the process. At that time operators were eliminated, and PC based equipment saw the DID call request, looked up the subscriber information in its database, placed a return call and handled the subscriber request without human intervention."*⁴

⁴In different interpretations, it appears that Applicant's claimed invention is basically equivalent to automating the International Callback service which was provided by IDT a few years before 1991 and 1992 and which used the DID and operators. In re Venner, 120 USPQ 192 (CCPA 1958).

Art Unit: 2742

- The telephony Journal Article titled "You can't beat the price" (March 20, 1995) states that :

"The callback market was developed in the United States in the late 1980s.

Figure 1 shows total callback revenues calculated via all access methods

--**direct inward dialing (DID)**, international 800 and X.25." [Emphasis added]

The article shows that companies which provided callback services had millions of dollars in revenue in 1991 and 1992.

9. **The Declarations under 37 CFR 1.132 are insufficient to overcome the rejections.**

The above 103 rejections represent a clear and positive *prima facie case* of obviousness and the declarations are insufficient to overcome the rejections.

The references cited by Examiner including Examiner's Exhibit C show that many companies such as IDT, Viatel and others started using the callback feature prior to Applicant's effective filing date, thus the commercial success is not based on Applicant's contribution to the industry and Applicant's claimed invention.

(a) The 132 declaration filed by Mr. Alleman on August 1997.

The Teleconnect Magazine article submitted by Applicant refers to dozens of different companies and different callback services including different techniques such as the use of X.25, the Internet, speed dial, voice mail, debit cards, multilingual voice prompts, packet network messages, remote access by subscriber for retrieval of billing information, comparing the cost of local calls and callback calls, etc. The above techniques, which contribute to the success of the call-back feature, are different from the claimed invention. Also, the magazine refers to "*first*

Art Unit: 2742

generation of callback systems (manual dial-in, hang up, wait, answer, dial, etc.)” and more sophisticated callback technologies. The activities of the dozens of companies that provide the callback feature such as promotions, discounts, customer service reliability, advertizement campaigns may also contribute to the success of the international callback industry. Thus Applicant’s allegation that the commercial success is due to his claimed invention is unsupported and contrary to the Teleconnect Magazine. No nexus whatsoever has been established between the industry’s “commercial success” and Applicant’s claimed invention. A nexus is required to be established between the merits of the claimed invention and the evidence of the secondary considerations if it is to be given substantial weight in an obviousness conclusion. *Stratoflex, Inc. v. Aeroquip Corp.*, 218 USPQ 871 (Fed. Cir. 1983). Commercial success is relevant only if it flows from the merits of the claimed invention, not if it flows from an unclaimed invention. Where do the claims recite using the Internet which is discussed in the Teleconnect Magazine? Where do the claims recite using speed dial, voice mail, debit cards, multilingual voice prompts, packet network messages, remote access by subscriber for retrieval of billing information or comparing the cost of local calls and callback calls? While the preambles of the claims recite “international telephone service”, the calls in the body of the claims can, very well, be local or long distance calls. In other words, there is not even a positive recitation in the claims are referring to “**international** call back”. Further, the names of Applicant or his company do not even appear in the Teleconnect Magazine. Also, Applicant has failed to provide any information on his company’s **market share**. *In re Baxter Travenol Labs.*, 21 USPQ2d 1281 (Fed. Cir. 1991). While considering the market share, it should be emphasized again that there are

Art Unit: 2742

hundreds of international callback companies which use features that are not claimed by Applicant. See, for example, the Yahoo Internet Search reference which provides a lengthy list of some of the international callback companies which provide features such as pre-paid cellular service, debit calling cards with fax/voice mail, international mobile callback services, Internet, ISDN, international callback initiated via the web, long distance call back services ... etc. Thus, Applicant's market share due to using Applicant's claimed invention has not been determined.

It is noted that a portion of column 2, page 82 of the Teleconnect Magazine has been erased and Applicant has continuously failed to provide a clear copy or even provide comments or explanations.

(b) The 132 declaration filed by Mr. Alleman dated November 28, 1997 (filed 12/3/97)

The 132 declaration apparently includes an implicit 131 declaration and remarks and arguments. Portions of this declaration are directed to moot issues such as the 102 rejection based on Kahn only and the 103 rejection based on Kahn and Billinger. Once again, while Applicant has withdrawn his 131 declaration, Applicant continues to refer to and imply swearing behind the references. Page 2, for example, states "I had the idea to use the DID before I applied to the FCC in 1990" and "I believe the present invention was not used by IDT before the effective filing date". It is improper for Applicant to have an ambiguous position. The 131 declarations and all the related comments and remarks should either be part of the record or withdrawn all together. It is improper to withdraw the 131 declaration and then continue to refer to or, at least, imply swearing behind the references in the 132 declaration. Therefore, all Examiner's comments,

Art Unit: 2742

remarks and evidence in the previous Office action regarding the insufficient 131 declarations are hereby incorporated by reference.

In item 12 of the 132 declaration filed 12/3/97, Applicant includes reference to a few selected international callback companies and also provides selected and edited description of the services provided by those selected companies. The edited portions of description refer unclaimed features such as to providing voice and fax services, promotional campaigns, low prices, high quality, digital network, fiber optic networks, 24-hour customer service, reliable services, pre-paid calling cards, travel cards, Internet access, "discounts of up to 70%", "latest digital technology", "no-surcharge calling cards", "six-second billing increments", "friendly bills and reports" and an auto-dialer located at the user's premises to make the callback transparent to the user. Examiner is now providing an unedited description of the same companies chosen by Applicant. The unedited version clearly shows that the companies selected by Applicant provide callback services that are different from Applicant claims. For example, the selected companies differ from the claimed invention in that they provide "voice, fax and data transmission", "sophisticated Voice Recognition", speed dialing, the ability of the callback computer to interact with switchboard attendant by providing pre-recorded voice messages and automated switchboards by providing touch tone (DTMF) signals, fiber-optics lines, flexible features such as "traveler trigger number" and "personalized trigger number", different languages, detailed billing records, "six-second billing", PBX adaptation, voice mail features, encrypted transmission, "AutoKall": the automatic connection box which makes the callback service seamless for telephones, fax machines and modems, "least cost routing" for selecting the routes with the lowest rates, "Roving Callback"

Art Unit: 2742

feature which allows the traveling subscriber to change his callback number, "Extension Callback" feature which for quickly and easily routing the callback to a specific extension in a PBX, calling a toll-free number and hanging up after "hearing a series of beeps" for both voice and fax callback services, calling a toll-free number, using a PIN and hanging up after "hearing a series of beeps" [the **Kahn** patent] and the use of callback for fax and modem connections from computers using different software packages such as Winfax and electronic mail programs such as FirstClass and CompuServe Navigator. Thus, Applicant's allegation that the commercial success in the international callback industry is due to using his "claimed invention" is untenable and contrary to the evidence because there is no nexus between the claimed invention and the success of the international callback companies.

(c) The declaration filed on 11/18/97 by Kenneth Casner

The declaration refers to "patents" only (item 2) and discusses Kahn and Curtin and concludes that it is Mr. Casner's "opinion" that "the callback service was invented by Dr. Alleman". Is Applicant reinstating his attempt to swear behind the references? Applicant cannot have it both ways. Applicant has decided to withdraw the 131 declarations and thus all allegations referring to or even implying that Mr. Alleman invented the callback service before the prior art system such as the IDT machine are inconsistent with Applicant's position. Once again, all Examiner's comments and evidence regarding the insufficiency of Applicant's 131 declarations are hereby incorporated by reference.

Art Unit: 2742

It is interesting to note that the declaration submitted by Mr. Casner does not indicate that Mr. Casner has reviewed the many references of record other than the Kahn and Curtin patents [and Billinger which is now moot]. There is no indication, for example, that Mr. Casner read the Office action, Examiner's comments or the many references of record. The 103 rejections in this office action are not limited to the teachings of Kahn and Curtin. As a matter of fact, it unclear whether Mr. Casner is familiar with the patent law. For example, is Mr. Casner familiar with the patent law to know that:

(I) not only the specific teachings of a reference, but also reasonable inferences may be used while formulating a rejection. In re Preda, 401 F.2d 825, 159 USPQ 342 (CCPA 1968) and In re Shepard 319 F.2d 194, 138 USPQ 148 (CCPA 1963);

(ii) the person of ordinary skill in the art must be presumed to know something about the art apart from what the reference disclose. In re Jacoby, 309 F.2d 513, 135 USPQ 317 (CCPA 1962); and

(ii) the conclusion of obviousness may be made from common knowledge and common sense without any specific hint or suggestion in a particular reference. In re Bozek, 416 F.2d 1385, 163 USPQ 545 (CCPA 1969).

It appears that Mr. Casner's opinion is contrary to the fact that hundreds of companies around the world have been using the DID feature in their international callback systems for many years. The International CallBack book clearly demonstrates that companies such as IDT and others used the DID and operators a few years before 1991 and 1992 and without operators in

Art Unit: 2742

1992 and 1993. A non-obvious combination could not possibly have been practiced by hundreds of companies around the world for many years.

Mr. Casner's 132 declaration (page 7) states that the "claims are specific in nature", since the claims have been amended a few times, claims have canceled and new claims have been added, it is unclear as to what claims the declaration is referring.

At best, if Applicant found a person(s) to agree with his position, many other people may disagree with Applicant's position. Thus, in view of all of the above comments and evidence, the declaration filed by Mr. Casner is insufficient to overcome the rejections.

(d) The declaration filed on 12/22/97 by Mr. Alleman.

- It appears that Applicant's "132 declaration" includes an implied, insufficient and unsupported "131 declaration". All Examiner's remarks and evidence in the previous Office action regarding the insufficiency of the 131 declarations are hereby incorporated by reference.
- Applicant refers to demonstrating his "invention" in November 1990, January 1991, and January 1992. It is unclear what exactly the invention was on the different dates!! Note that the Application was filed on April 24, 1992.
- It is unclear as to how Applicant can demonstrate his invention to engineers, chief engineer, staff and presidents of communications companies "without revealing" his invention !
- If Applicant demonstrated the "claimed invention", it is difficult to accept that engineers, chief engineer, staff and presidents of communications companies "did not understand", "did not comprehend" and "did not grasp" Applicant's invention.

Art Unit: 2742

- Since the above persons did not “understand”, “comprehend” or “grasp” Applicant's invention, how could they have judged what they do not “understand”, “comprehend” or “grasp” to be obvious or non-obvious?

- Applicant's statements that above persons who are skilled in the art did not “understand”, “comprehend” or “grasp” the invention are contrary to the New York Times article titled “Hot-Wiring Overseas Telephone Calls” (January 9, 1992) which states that:

“[The callback feature] would be familiar to a college student phoning long distance to his parents: the student rings once, hangs up, and then has his parents call back on their nickel.” [emphasis added]

- Applicant's statements that above persons did not “understand”, “comprehend” or “grasp” the invention are contrary to the International CallBack book (page 16) which states that the use of DID in combination with callback service was known (and used with operators) a few years before 1991 and 1992. The book states that

“Subscribers wanting service could call a Direct Inward Dialing Number, let it ring two or three times and hang up. This unanswered call was not billed to the subscriber. This is a crucial issue Operators sitting at a console could see the ringing, and would look up the DID number. (Actually the equipment did this automatically). They would then place a return call [call back] to the subscriber and handle their request for service

A few years later in 1991 and 1992, companies such as Viatel and International Discount Telephone [IDT] and Telatlantic automated the process. At that time operators were eliminated, and PC based equipment saw the DID call request, looked up the subscriber information in its database, placed a return call and handled the subscriber request without human intervention.”

- Applicant's statements that above persons did not “understand”, “comprehend” or “grasp” the invention are contrary to the telephony Journal Article titled “You can't beat the price” (March 20, 1995) states that :

Art Unit: 2742

"The callback market was developed in the United States in the late 1980s. Figure 1 shows total callback revenues calculated via all access methods --direct inward dialing (DID), international 800 and X.25." [emphasis added]

The article shows that companies which provided callback services had millions of dollars in revenue in 1991 and 1992.

(d) Going back to Applicant's allegation that the commercial success in the International callback industry is due to other companies using his invention, the International CallBack book explains that hundreds of international callback companies have been using many different features such as the use the Basic Callback process (page 44), Basic Call Through using 800 numbers (page 53), X.25 virtual circuit (page 60), the X.25 Call Request (page 62), Time Shifting (page 67) which are different from the claimed invention. It appears that only the Basic Callback Process (page 44) is relevant to the claimed invention. The book also explains that the International Callback industry provides other features such as the use of the Integrated Services Digital Network ISDN (page 65), paging (page 56), voice mail (page 136), speed dialing (page 149), fax store and forward (page 150), multiple languages (page 136) etc..... etc. The above features are not recited in the claimed invention.

Finally, page 70 of the Telephony Article (March 20, 1995) titled "You can't beat the price" shows that carriers provided callback services and had a revenue of about \$10 million in 1990 and about \$20 million 1992 (before Applicant's effective filing date).

Art Unit: 2742

Thus, stating or even implying that the billion-dollar international callback industry is using Applicant's claimed invention is untenable and contrary to the evidence provided by Applicant (the Teleconnect Magazine) and Examiner (the International CallBack Book and the Telephony article).

Response to Arguments

10. Applicant's arguments filed 11/18/97, 12/1/97 and 12/22/97 have been fully considered but they are not persuasive.

The 132 declaration submitted by Mr. Alleman and dated November 11, 1997 (filed November 14, 1997) which refers to "reduction to practice" has been considered by Examiner but Examiner will not provide any comments because Applicant has substituted the above declaration with a new 132 declaration submitted by Mr. Alleman and dated November 28, 1997 (filed on December 3, 1997).

Parts of Applicant's arguments such as whether or not the DID feature is inherent in the IDT machine, and the rejection based on **Kahn** and the combination of **Kahn** and **Billinger** are now moot because these arguments are not applicable to the rejections in this Office action.

Examiner's Exhibit B (now Exhibit C):

Applicant is advised that material that is not technically prior art can be relied upon as evidence of the skill level in the art as of about the date of the invention even if the articles were published at a later date. Gould v. Quigg, 3 USPQ 1302 (Fed. Cir. 1987) and Ex parte Erlich 22 USPQ2d 1463 (BPAI 1992). Exhibit C provides evidence that artisan would have known

Art Unit: 2742

how to combine the Kahn and Curtin references so that the Kahn callback feature can utilize the DID feature taught by Curtin, as discussed in detail above. The Exhibit also provides evidence that the artisan would have known how to use the DID discussed by Riskin and Curtin in the IDT machine.

Regarding the combination of Kahn and Curtin.

Applicant, apparently, continues to misunderstand or misinterpret the rejection. In **Kahn**, the system 30 identifies the calling party by relying on the manual entry of a code (PIN) and **Curtin** suggests replacing manual entry of a code (PIN) by using the automatic DID number in order to identify the calling party. In Curtin, system 18 (Fig. 2) (a) identifies the calling party based on the dialed DID and then (b) passes the identity to the called party. The portion about passing the identity to the called party is not relevant and not needed in the combination. In the Primary reference (Kahn), the system is called, the system identifies the calling party and the system calls back the subscriber. This is the basis for the rejection. In the combination, "system 30" in **Kahn** would incorporate the use of the DID number (as suggested by **Curtin**) so that "system 30" would identify the calling party by using the DID number and then "system 30" would call back the subscriber. Once, "system 30" automatically, easily and rapidly identifies the calling party without answering the call (e.g., calling party is John Smith), "system 30" as taught by **Kahn** would then have to initiate the call back to the calling party/subscriber. In the combination, there is no "called party" when the calling party/subscriber calls the system. Then "system 30" would call back the subscriber (John Smith) obviously by looking up the subscriber

Art Unit: 2742

telephone number. The art rejection, clearly, teaches incorporating the feature of identifying the calling party based on the dialed DID as taught by Curtin in the Kahn system. Replacing the technique used for identifying the calling party from manual entry of a code (PIN) to using the automatic DID number does not mean changing the entire Kahn system as understood by Applicant. In the combination of references, "system 30" is still used to provide the call back feature. In the combination, the calling party would call the system using the DID number, hang up and the system would still provide the "call back" feature and would still offer the subscriber an outgoing line to make outgoing calls. Again, only the manner in which system 30 in Kahn identifies the calling party has been modified in the combination in view of the explicit suggestion of using the DID in Curtin.

Applicant's comments regarding the subscriber being called back and provided his own identity represent a misinterpretation of the rejection and it imply that one of ordinary skill in the art would unintelligently and arbitrarily make the combination by destroying the objective of the primary reference which is to provide call back services (see "Call-Back/Local" and "Call-Back/Long Distance" in columns 40 and 42 of Kahn). The combination should not destroy the objective of the primary reference as implied by Applicant. While the feature of identifying the calling party as taught by Curtin is incorporated in the Kahn system, the whole system of Curtin with all its features need not be incorporated in the Kahn system. This is simply not the rejection. Only the manner in which the system identifies the calling party who dials an assigned DID is incorporated in the Kahn system.

Art Unit: 2742

Applicant states (page 10, amendment filed 11/18/97) that the Examiner dismisses the evidence regarding the commercial success "without even considering it". This is incorrect. Examiner did, indeed, consider the evidence and found the evidence to be insufficient as discussed in detail in the previous Office action and repeated in this office action. Considering the evidence is different from finding the evidence sufficient. Simply, Applicant's evidence is insufficient.

On page 12, the amendment states that Mr. Alleman is the first to invent international callback with DID. Applicant's belief that he is the first to invent is different from swearing behind a reference in a 131 declaration. The Examiner discussed the inconsistency and lack of sufficient evidence to support Applicant's 131 declarations. The record clearly demonstrates the Examiner's position and the Examiner's evidence which are contrary to Applicant's allegations in the 131 declarations. Applicant has withdrawn the 131 declarations, yet Applicant continues to imply that had sworn behind the references. All Examiner's remarks and evidence regarding the lack of sufficient evidence to support Applicant's allegation in the 131 declaration are hereby incorporated by reference.

In the communications filed 12/22/97 (page 4), Applicant states that the Examiner made no mention of any prior art during one of many informal telephone calls. Examiner may have answered some specific and informal question from Applicant without specifically referring to prior art, but this does not change the Official rejections in the Official office actions. Also, Examiners Matar and Zele states that while Examiner's Exhibit which includes the International

Art Unit: 2742

CallBack Book is not technically prior art, the Exhibit/the book can still be used as evidence to show the skill level in the art as of about the date of the invention. Applicant selectively (page 2 of communications filed 12/1/97 and page 5 of the communications filed 12/22/97) refers to a portion of the Examiners' statement by simply stating that that Exhibit/book is not prior art.

On page 5 of the communications filed 12/22/97 Applicant states that the inventor (Mr. Alleman) and Mr. Casner have sworn that the "invention" taken as a whole was not obvious and "there is no contrary evidence". The above Office action includes a prima facie case of obviousness based on (1) Kahn and Curtin, (2) Kahn, Curtin and Examiner's Exhibit C and (3) The IDT machine in view of Curtin. The declarations filed by Mr. Alleman and Mr. Casner are insufficient to overcome the rejection as discussed in detail above. Further, Examiner provided evidence that companies have used the callback feature with the DID feature in the US "in the 1980s" and evidence that companies have used the callback feature with equipments for automatically looking up the DID number of the calling party and manually calling back the calling party "a few years before 1991 and 1992" and that companies automated the callback process in 1991 and 1992. Examiner provided evidence showing that many companies around the world have been using the obvious combination of the callback and the DID features for many years. Again, EVEN IF the inventor himself and one [or more] persons concluded that the invention was not obvious, many other people may disagree with Applicant and find the invention to be obvious as discussed in the above rejections! Applicant states (page 5, communications filed 12/22/97) that the "PTO does not have access to experts for testimony and cannot rebut the

Art Unit: 2742

testimony of record here regarding the obviousness". Applicant is incorrect because many of the Examiners at the PTO are experts and, if Applicant would consider and give weight to their testimony, Examiner would provide gladly provide Applicant with such testimony.

Conclusion

11. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for response to this final action is set to expire **THREE MONTHS** from the date of this action. In the event a first response is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event will the statutory period for response expire later than **SIX MONTHS** from the date of this final action.

12. **Any response to this final action should be mailed to:**

Box AF
Commissioner of Patents and Trademarks
Washington, D.C. 20231

or faxed to:

(703) 308-9051, (for formal communications; please mark "EXPEDITED
PROCEDURE")

Or:

Art Unit: 2742

(703) 308-5403, (for informal or draft communications, please label "PROPOSED" or "DRAFT")

Hand-delivered responses should be brought to Crystal Park II, 2021 Crystal Drive, Arlington, VA., Sixth Floor (Receptionist).

13. Communications via Internet e-mail regarding this application, other than those under 35 U.S.C. 132 or which otherwise require a signature, may be used by the Applicant and should be addressed to [krista.zele@uspto.gov].

All Internet e-mail communications will be made of record in the application file. PTO employees do not engage in Internet communications where there exists a possibility that sensitive information could be identified or exchanged unless the record includes a properly signed express waiver of the confidentiality requirements of 35 U.S.C. 122. This is more clearly set forth in the Interim Internet Usage Policy published in the Official Gazette of the Patent and Trademark on February 25, 1997 at 1195 OG 89.

14. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Examiner Ahmad Matar whose telephone number is (703) 305-4731.

Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 305-3900.



Ahmad F. Matar
Primary Patent Examiner
Group Art Unit 2742